

CLAIM AMENDMENTS

1. (currently amended) A personal electronic apparatus for providing security of specified electronic transactions, the personal electronic apparatus comprising:

- a. an article removably inserted into the personal electronic apparatus, the article bearing machine readable code;
- b. customer-specific code installed on and retained by the personal electronic apparatus, the code affecting operation of the personal electronic apparatus;
- c. verifying means for determining whether the article is installed in the personal electronic apparatus, and, if so, for enabling specified electronic transactions, but, if not, for preventing said transactions, said verifying means comprising a keycode for authenticating the article and a pin number for authenticating a user;

whereby, upon a request for specified electronic transactions by the user, the personal electronic apparatus queries whether the article is installed, and, if so, enables specified transactions to be performed at the request of the user, but prevents the transaction from being performed if the article is not installed.

2. (original) A setup method for setting up a system to implement the method of purchasing goods and services via the Internet, the setup method comprising the steps of:

- a. providing the personal electronic apparatus of claim 1;
- b. creating a customer account at a bank pursuant to communication with the customer and relaying to the customer a pin number that will be required in a later step;

- c. creating customer-specific software at the bank, then splitting the software into a first portion, which is written to the article and a second portion which is transmitted to a bank download server;
 - d. mailing the article to the customer, who then inserts it into the personal electronic apparatus;
 - e. the customer contacting the bank download server via the Internet and downloading the second portion to the personal electronic apparatus, then the bank download server erasing the copy of the second portion from the download server, but retaining relevant information on a bank purchase server; and
 - f. upon provision of the pin number by the customer, the personal electronic apparatus linking the first and second portions into working software on the personal electronic apparatus.
3. (previously amended) The method of claim 2, additionally comprising the steps of:
- a. in step b of claim 2, providing more than one key code number, each key code corresponding to a sub-account depending from the same main account;
 - b. providing additional steps in the code which require a customer to select the key code that is to be used for a specific purchase, then providing for that key code to be sent to the bank purchase server along with the bank packet; and

- c. accounting separately for the purchases made by a customer under each separate key code number.